

## § 764.1

764.357–764.400 [Reserved]

### Subpart J—Loan Decision and Closing

764.401 Loan decision.

764.402 Loan closing.

764.403–764.450 [Reserved]

### Subpart K—Borrower Training and Training Vendor Requirements

764.451 Purpose.

764.452 Borrower training requirements.

764.453 Agency waiver of training requirements.

764.454 Actions that an applicant must take when training is required.

764.455 Potential training vendors.

764.456 Applying to be a vendor.

764.457 Vendor requirements.

764.458 Vendor approval.

764.459 Evaluation of borrower progress.

AUTHORITY: 5 U.S.C. 301 and 7 U.S.C. 1989.

SOURCE: 72 FR 63298, Nov. 8, 2007, unless otherwise noted.

## Subpart A—Overview

### § 764.1 Introduction.

(a) *Purpose.* This part describes the Agency's policies for making direct FLP loans.

(b) *Types of loans.* The Agency makes the following types of loans:

(1) FO, including Downpayment loans;

(2) OL, including Youth loans;

(3) EM; and

(4) CL.

[72 FR 63298, Nov. 8, 2007, as amended at 75 FR 54015, Sept. 3, 2010]

### § 764.2 Abbreviations and definitions.

Abbreviations and definitions for terms used in this part are provided in § 761.2 of this chapter.

### §§ 764.3–764.50 [Reserved]

## Subpart B—Loan Application Process

### § 764.51 Loan application.

(a) A loan application must be submitted in the name of the actual operator of the farm. Two or more applicants applying jointly will be considered an entity applicant. The Agency will consider tax filing status and other business dealings as indicators of the operator of the farm.

## 7 CFR Ch. VII (1–1–13 Edition)

(b) A complete loan application, except as provided in paragraphs (c) through (f) of this section, will include:

(1) The completed Agency application form;

(2) If the applicant is an entity:

(i) A complete list of entity members showing the address, citizenship, principal occupation, and the number of shares and percentage of ownership or stock held in the entity by each member, or the percentage of interest in the entity held by each member;

(ii) A current personal financial statement from each member of the entity;

(iii) A current financial statement from the entity itself;

(iv) A copy of the entity's charter or any entity agreement, any articles of incorporation and bylaws, any certificate or evidence of current registration (good standing), and a resolution adopted by the Board of Directors or entity members authorizing specified officers of the entity to apply for and obtain the desired loan and execute required debt, security and other loan instruments and agreements;

(v) In the form of married couples applying as a joint operation, items (i) and (iv) will not be required. The Agency may request copies of the marriage license, prenuptial agreement or similar documents as needed to verify loan eligibility and security. Items (ii) and (iii) are only required to the extent needed to show the individual and joint finances of the husband and wife without duplication.

(3) A written description of the applicant's farm training and experience, including each entity member who will be involved in managing or operating the farm. Farm experience of the applicant, without regard to any lapse of time between the farm experience and the new application, may be included in the applicant's written description. If farm experience occurred more than 5 years prior to the date of the new application, the applicant must demonstrate sufficient on-the-job training or education within the last 5 years to demonstrate managerial ability;

(4) The last 3 years of farm financial records, including tax returns, unless the applicant has been farming less than three years;